

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

<b>In re:</b>	§	
	§	
<b>EBONY MEDIA OPERATIONS LLC</b>	§	<b>Case No. 20-33665</b>
	§	
<b>DEBTOR</b>	§	<b>JUDGE JONES</b>
	§	

**APPLICATION TO EMPLOY TPS-WEST LLC  
AS ACCOUNTANT TO THE TRUSTEE**

NAME OF THE TRUSTEE:	Christopher R. Murray
PROFESSIONAL TO BE EMPLOYED:	TPS-West LLC
REASON EMPLOYMENT IS NEEDED:	Preparation of tax returns
COMPENSATION AGREEMENT:	Hourly fee basis subject to Court approval
TRUSTEE'S REASON FOR SELECTION:	The personnel of TPS-West LLC have a great deal of experience involving bankruptcy litigation support and bankruptcy & insolvency tax matters

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Christopher R. Murray, chapter 7 trustee for the above-captioned Debtor (the “Trustee”), files this application (“Application”) to employ TPS-West LLC (“TPSW”) a wholly owned subsidiary of TPS Thayer LLC Certified Public Accountants as accountant to the Trustee and respectfully states the following:

**JURISDICTION**

1. This Court has jurisdiction over this application pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).
2. Venue of the Debtor chapter 7 case (“Chapter 7 Cases”) in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The statutory bases for the relief sought are §§ 327(a), 330, and 704 and Rule 2014 of the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”).

### **BACKGROUND**

4. On July 23, 2020 (“Petition Date”), an involuntary petition under chapter 7 of the Bankruptcy Code was filed against the Debtor.

5. The Order for Relief under Chapter 11 was signed on September 3, 2020.

6. The case was re-converted to Chapter 7 on October 7, 2021.

7. Christopher R. Murray was appointed as chapter 7 trustee of the estate.

8. The Trustee seeks to employ TPSW as accountant because they may be needed to perform the following services:

- a. Prepare Federal and/or State Tax Returns as required and to represent the Trustee in audits and other dealings with the Internal Revenue Service and other government authorities in tax-related matters for this bankruptcy case;
- b. Reconstruct the books and records of the Debtor to the extent necessary.

### **BASIS FOR RELIEF**

9. Section 327(a) of the Bankruptcy Code authorizes a trustee to employ accountants that do not hold or represent an interest adverse to the debtor’s estate and that are disinterested persons to assist with duties under the Bankruptcy Code. Section 704(a) of the Bankruptcy Code establishes the Trustee’s duties. The Trustee’s duties include investigating the financial affairs of the debtor 11 U.S.C. § 704(a)(4). The Trustee’s retention of TPSW is necessary to enable the Trustee to fulfill duties under the Bankruptcy Code and is in the best interest of the Debtor’s estate.

10. The Trustee seeks to retain TPSW as accountant in order to possibly perform the tasks specified above.

11. TPSW’s services are necessary for the administration of the bankruptcy estate. The Trustee will need the help of an accountant in order to prepare the tax returns for the Debtor.

12. TPSW has numerous experienced professionals in its organization. The TPSW staff has years of experience in accounting in the bankruptcy context including serving as a bankruptcy trustee, liquidating trustee, examiner, and chief restructuring officer. The staff is presently

composed of Richard P. Anderson, CPA, James L. Clarke, CPA, William A. Potter, CPA, Rhonda B. Fronk, CPA, Natalie S. Hinson, and William G. West, CPA. Short biographies and rate schedules are attached hereto as **Exhibit A**.

13. Richard P. Anderson has informed the Trustee that as disclosed in his affidavit attached as **Exhibit B** (the “Anderson Affidavit”), he or TPSW: (i) has no connection with the Debtors, their creditors, their equity holders, or other parties-in-interest, or their respective attorneys or accountants, the United States Trustee for the Southern District of Texas (“U.S. Trustee”), or any person employed in the office of the U.S. Trustee in any matter related to the Debtors and their estates; (ii) does not hold any interest adverse to the Debtor’s estate; and (iii) believes that it is a “disinterested person” as that term is defined in § 101(14) of the Bankruptcy Code, and as required by § 327(a) of the Bankruptcy Code. If any new material facts or relationships are discovered or arise, TPSW will promptly inform the Court as required by Bankruptcy Rule 2014(a). The Trustee’s knowledge, information, and belief regarding the matters set forth herein are based, and made in reliance upon, the Anderson Declaration.

14. Accordingly, to the best of the Trustee’s knowledge, information, and belief, based upon the representations made to the Trustee in the Anderson Affidavit, none of TPSW’s past or current engagements appear to create an interest materially adverse to the interests of the Debtor’s estate, its creditors, or its equity holders. As such, the Trustee believes that Anderson is disinterested and holds no interest materially adverse to the Debtor’s estate.

15. Subject to the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules for the Southern District of Texas Local Rules (the “Local Rules”), the guidelines (the “Guidelines”) established by the U.S. Trustee, and any orders of the Court, the Trustee proposes to pay TPSW based on customary hourly rates represented in Exhibit A. The Trustee submits that TPSW’s customary terms of reimbursement, compensation, and hourly rate

are reasonable. TPSW will notify the Trustee and the U.S. Trustee of any change in the hourly rates charged by it for services rendered while this Chapter 7 Case is pending.

16. TPSW intends to apply to the Court for allowance of compensation and reimbursement of expenses in accordance with the applicable provisions of the Bankruptcy Code, including but not limited to §§ 330 and 331, and 503(a) and (b) of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the Guidelines established by the U.S. Trustee, and any orders of this Court in this Chapter 7 Case, for all services performed and expenses incurred during his representation of the Trustee. Or in the alternative, Application to Employ and to Pay Accountant pursuant to BLR 2014(c) for the purpose of providing tax preparation and accounting services, without further notice, for the lump sum of \$425.00 per year for each year's tax returns payable at the completion of a return, and which employment shall be for no longer than three (3) years.

17. TPSW does not have any agreement or understanding between it and any other entity for the sharing of compensation received or to be received for services rendered in connection with his representation of the Trustee in this case.

#### **NO PRIOR REQUEST**

18. No prior motion or application for the relief requested herein has been made to this Court or any other court.

#### **CONCLUSION**

WHEREFORE, the Trustee respectfully requests that the Court enter an order, substantially in the form attached hereto, approving the retention by the Trustee of TPSW and granting such other and further relief as the Court may deem just and proper.

Dated: February 16, 2023

/s/ Christopher R. Murray, Trustee  
Christopher R. Murray  
Chapter 7 Trustee  
602 Sawyer Street  
Suite 400  
Houston, TX 77007

**CERTIFICATE OF SERVICE**

I certify that on February 16, 2023, I caused a true and correct copy of the foregoing Application to be served on the U.S. Trustee and those parties as required under Federal Rule of Bankruptcy Procedure 2014, Local Rule 2014, and Local Rule 9013-1(e).

/s/ Richard P. Anderson

Richard P. Anderson

**Exhibit A, page 1 of 2**

Richard P. Anderson, CPA graduated from Sam Houston State University with a Bachelors of Business Administration, and majored in Accounting. He has been practicing public accounting for approximately sixteen (16) years. Specializing in income tax preparation, he has been in management for the past five years overseeing teams of tax preparers, and providing advisory services and guidance to tax clients. He is a member of the American Institute of Certified Public Accountants (AICPA) and the Texas Society of Certified Public Accountants (TSCPA).

James L. Clarke, CPA/ABV, CVA graduated with honors from Sam Houston State University with a Bachelors of Business Administration and received his Master of Science in Accounting from Southern Methodist University. He has practiced public accounting, primarily within the valuation and litigation support arena, for approximately eleven (11) years. His experience involves projects for estate and gift tax, succession planning, insurance claims, divorce settlement, buy/sell negotiations, and economic damage determination. Mr. Clarke is also a Texas Certified General Real Estate Appraiser with extensive experience in various real estate matters. He is a member of the American Institute of Certified Public Accountants (AICPA) and the Texas Society of Certified Public Accountants (TSCPA).

William A. Potter, CPA is an associate in the firm. He graduated from Baylor University with a Bachelors of Business Administration, and majored in Accounting. He has been practicing accounting for approximately thirty-one (31) years, in national, regional and local firms as well as in industry and a non-profit organization. During the period of March 2003 - April 2006 he was not in public accounting but employed by a non-profit organization. During such period he was not required to have a professional license and therefore - did not maintain it. He has maintained it since that time. He is a member of the Texas Society of Certified Public Accountants (TSCPA). Mr. Potter is also certified as a QuickBooks Pro Advisor.

Rhonda B. Fronk, CPA is an associate in the firm. She graduated from the University of Oklahoma with a Masters in Accountancy. She has been practicing accounting for approximately twenty-one (21) years. She has extensive experience in budgeting, financial statement preparation, and income tax preparation. She is a member of the American Institute of Certified Public Accountants (AICPA) and the Texas Society of Certified Public Accountants (TSCPA). She is on the Editorial Board of the bi-monthly journal published by the TSCPA.

Natalie S. Hinson is an administrative associate with TPS-West. Her work has included case administration, procedural responsibilities, taxation, and accountancy. Over the course of her career, Mrs. Hinson has worked for law firms and CPA practices operating in the bankruptcy arena as well as Chapter 7 and Chapter 11 Trustees within the Southern District of Texas. She has experience in a wide variety of bankruptcy and insolvency matters.

**Exhibit A, page 2 of 2**

William G. West, CPA, CFF, has represented Trustees in the Southern, Eastern, Western and Northern Districts of Texas as a CPA for over thirty-one (31) years. He was formerly a Chapter 7 Bankruptcy Trustee for the Houston, McAllen, and Brownsville Divisions of the Southern District of Texas. Over the years he has also served as a Chapter 11 Trustee, Liquidating Trustee, Examiner, and Chief Restructuring Officer. Additionally, he has served as a Special Master in the U.S. District Court for the Southern District of Texas. Finally, he is a member of the American Institute of Certified Public Accountants (AICPA) and the Texas Society of Certified Public Accountants (TSCPA).

<u>Professionals</u>	<u>Hourly Rate</u>
William G. West, CPA	\$365.00
Richard P. Anderson, CPA	\$300.00
James L. Clarke, CPA	\$280.00
William A. Potter, CPA	\$280.00
Rhonda B. Fronk, CPA	\$250.00
 <u>Paraprofessionals</u>	
Natalie S. Hinson	\$155.00

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

In re:

EBONY MEDIA OPERATIONS LLC

DEBTOR

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Case No. 20-33665

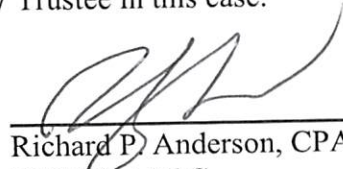
JUDGE JONES

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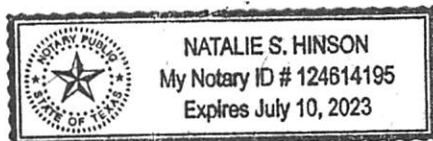
BEFORE ME, the undersigned authority, on this day personally appeared Richard P. Anderson, who being by me duly sworn stated: I, RICHARD P. ANDERSON

1. am a Certified Public Accountant, experienced in rendering public accounting services employed with the accounting firm of TPS-West LLC. and am authorized to make this Affidavit on such firm's behalf.
2. have read the Trustee's Application to Employ Accountant.
3. am willing to accept employment by the Trustee, on the basis set forth in the annexed application. To the best of my knowledge, information and belief, this accounting firm, its members and associates, are disinterested persons within the meaning of 11 U.S.C. § 101 (14). This firm represents no interest adverse to the Trustee or the estate in the matters upon which this firm is to be engaged by the Trustee, and this firm has no connections with the Debtor(s), any creditors, any other parties in interest, or their respective attorneys and accountants, the United States trustee or any persons employed in the office of the United States Trustee.

In addition, the firm and its members have no connections with the U.S. Trustee or its employees other than in their official capacity. I have represented and currently represent the Trustee in other bankruptcy cases. I do not believe any conflict exists which precludes my representation of the Chapter 7 Trustee in this case.

  
Richard P. Anderson, CPA  
TPS-West LLC  
12837 Louetta Rd., Suite 201  
Cypress, TX 77429

Sworn and subscribed to before me by Richard P. Anderson, on this the 16th day of February, 2023.



  
Notary Public State of Texas